BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 97-046-C - ORDER NO. 97-303

IN RE: Application of BellSouth Telecommunications, Inc. for Approval to Transfer its
Pay Telephone Assets to BellSouth Public
Communications, Inc.

ORDER
MOTION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Motion for Postponement of Hearing filed by the South Carolina Public Communications

Association (SCPCA). SCPCA moves for postponement of the hearing based on its allegations that crucial evidence is missing in this proceeding, and, therefore, the April 9, 1997 hearing should be postponed until BellSouth Telecommunications, Inc. (BellSouth) provides the Commission and SCPCA with testimony fully addressing the valuation of assets in the proposed transfer in this case.

BellSouth filed a Memo in Opposition to the Motion.

BellSouth states that in applying for transfer of its payphone assets to a separate subsidiary, BellSouth Public Communications, Inc., it has complied with all applicable statutory requirements concerning asset transfers, and that specific information regarding the proposed asset transfer methodology and valuation is contained in the amended testimony of Tom Lohman filed on March 26, 1997. BellSouth notes that the Federal Communications

Commission's (FCC's) Affiliate Transactions Rules govern the valuation of the asset transfer. Accordingly, the FCC will ultimately determine the appropriate asset transfer methodology and whether such transfer complies with the FCC's Affiliate Transactions Rules. Further, BellSouth notes that in 1995, this Commission adopted price regulation when it implemented the Consumer Price Protection Plan which is binding on BellSouth. According to BellSouth, because of the Plan, the proposed asset transfer has no effect upon the ratepayers of South Carolina. BellSouth therefore asks that this Commission deny SCPCA's Motion for Postponement of the Hearing.

The Commission has examined this matter, and agrees with BellSouth that the Motion for Postponement of the Hearing should be denied. As BellSouth has stated, the FCC Affiliate Transactions Rules govern the valuation of the asset transfer. Therefore, the FCC will ultimately determine the appropriate asset transfer methodology, and whether such transfer complies with its rules. Further, the proposed asset transfer has no effect upon the ratepayers of South Carolina. Considering all these matters, the Commission holds that the Motion for Postponement of the Hearing should be denied.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)